

SOME FACTS

ABOUT

Workmen's Compensation

AND

The State Workmen's
Insurance Fund

PENNSYLVANIA DEPARTMENT
OF LABOR AND INDUSTRY

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Plans for perfecting the machinery of the State Workmen's Insurance Fund are now being formulated by the State Workmen's Insurance Board, which includes State Treasurer Robert K. Young, Insurance Commissioner Charles Johnson and Commissioner John Price Jackson of the Department of Labor and Industry. Francis H. Bohlen, of Philadelphia, is legal advisor for the Board by appointment of Attorney-General Brown.

Albert L. Allen, assistant to the general management of the New York State Workmen's Insurance Fund has been appointed assistant manager of the Pennsylvania Fund.

The State Workmen's Insurance Fund was created to give to employers of labor in Pennsylvania at a minimum of cost, the maximum of protection against the obligation imposed upon them by the Workmen's Compensation Act of 1915.

This Act applies impartially to all employers, large and small. The store-keeper with one assistant, the professional man with one stenographer, the carpenter or plumber with one helper, is under the same liability as an individual or corporation employing hundreds or thousands of men in the most hazardous trade

The Workmen's Compensation Act of 1915 gives to a vast majority of employees, injured within the State of Pennsylvania, after December 31, 1915, the right to require their employers to pay them a limited, but certain compensation for all injuries, not purposely self inflicted or caused by a third person, who may attack an employee for reasons personal to him, if these injuries disable them for more than 14 days.

The only classes of employees exempted from this right to compensation are those engaged in domestic service or agriculture, those whose work is both casual and outside of the employer's regular business and those, who, in their own homes, make up, clean, wash, or alter material or articles furnished them by their employers.

An employer may escape this liability by serving notice upon every one of his employees that he does not agree to make these certain but limited payments and by sending a copy of this notice with sworn proof of service to the Workmen's Compensation Bureau at Harrisburg; but if he does so, he escapes one liability only to fall into another and on the average a more burdensome one. **He becomes liable to an action at law for unlimited damages and this with the greatest part**

of the defenses now open to him swept away. Against a certain but narrowly limited liability, he incurs a risk of a very probable recovery, the amount of which depends upon the verdict of a jury.

The Compensation Act requires every employer to insure this compensation by subscribing to the State Insurance Fund or by taking out a policy in some stock or mutual insurance company or association, unless he satisfies the Workmen's Compensation Board of his financial ability to make all the payments required by the Act and secures from the Board an exemption from the necessity of insurance.

If the employer fails to insure without securing this exemption, any injured employee may, after the accident, claim the limited compensation provided in the Act or may sue in an action at law for unlimited damages.

Of the three methods of insurance permitted, State, stock company and mutual association, **insurance in the State Fund alone gives complete protection from personal liability and from the filing of liens on the employer's real property which may very probably hinder, or not prevent, its sale or its use as security for the borrowing of money.**

Every other form of insurance leaves the employer personally liable, every agreement or award of compensation may be entered as a lien against his land and cannot be discharged until the whole compensation agreed upon, or awarded, has been paid in full, which may readily not be for 8 or 10 years.

On the other hand, a subscriber to the State Fund, by giving to the Department of Labor and Industry the same notice of an injury to an employee, which he is now by law required to give, relieves himself from all personal liability. The State Fund immediately assumes all his obligations and no claim against him can become a lien or cloud on his property, real or personal.

In addition, the Act creating the State Fund makes a sufficient appropriation to pay all expenses. **This, with the entire absence of agents' and brokers' commissions enables the State Fund to give their complete protection practically at cost.**

It has been virtually decided to offer insurance rates at a material reduction from those charged by stock companies. The experience of other States where such Funds are in operation shows that, in addition to these originally lower rates, subscribers re-

ceived dividends at the expiration of each year ranging from 5 to 20 per cent.

Full information regarding the Fund, its rates and requirements and the application forms necessary to become a subscriber to it can be obtained by writing to the State Workmen's Insurance Board, Harrisburg, Pa.

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PREVENTIVE CHARITY

Editorial from the
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PREVENTIVE CHARITY.

THE recent appointment by Governor Tener of the Boards of Managers of three new charitable institutions in Pennsylvania is a noteworthy exemplification of the new ideal in public charity which is manifesting itself throughout the Nation. The growing realization of society's debt to the social debtor is expressing itself in entirely new types of service in behalf of the socially inadequate. Functions which have long been regarded as the property of private charity exclusively are becoming accepted as the rigid responsibility of state or municipality. The establishment of municipal lodging houses and the growth of the idea of farm colonies for vagrants are of recent origin. The first public institution in the United States for the care of the tuberculous was erected only fifteen years ago. Special provision for inebriates and preventive measures against insanity are becoming generally recognized as public duties. The development of state care for dependent and neglected children is rapidly creating still another gap in the usefulness of the private relief society.

Most encouraging of all, the tendency of up-to-date public charity is toward the prevention as well as the alleviation of distress. Each of the three new charitable institutions established in Pennsylvania is designed

as a preventive measure against some type of dependency. The Home for Inebriates, by substituting scientific treatment for repeated and futile jail sentences, aims to prevent chronic inebriety. The Industrial Home for Women, by removing the wayward girl from the hardening influence of jail or prison, aims to prevent confirmed delinquency. The Village for Feeble-Minded Women of Child-Bearing Age, by segregating this unfortunate class, aims to stop the procreation of idiots and imbeciles and thus to check one of the most prolific sources of poverty, degeneracy and crime.

This conspicuous upward trend in the nature of public humanitarian work may be directly credited to an awakened public conscience which has been in a measure both the cause and effect of the organization of bodies of private citizens in a number of states for the purpose of encouraging and improving the efforts of public charity. A most successful example of such an organization is the State Charities Aid Association of New York, which has been a potent factor in bringing order out of chaos in the system of charity of that state. It has been largely due to the work of a similar organization—the State *Public Charities Association*—that the new charitable institutions herein described were established in Pennsylvania.

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